

UNITE CAPITAL
PARTNERS CORP.

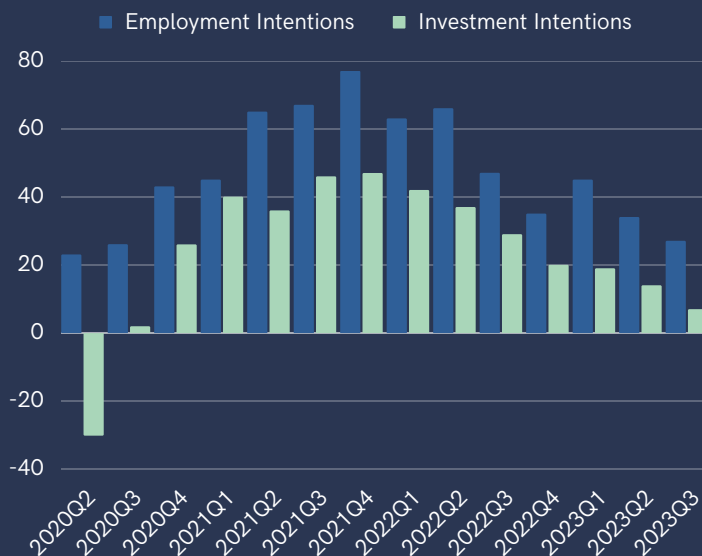
Metro Vancouver Industrial Market Outlook

Q3 - 2023

MACRO ECONOMIC OUTLOOK

Although the economic indicators in the Metro Vancouver area haven't demonstrated a significant rebound, the region has displayed remarkable resilience in the face of market volatility, primarily due to its diversified economy.

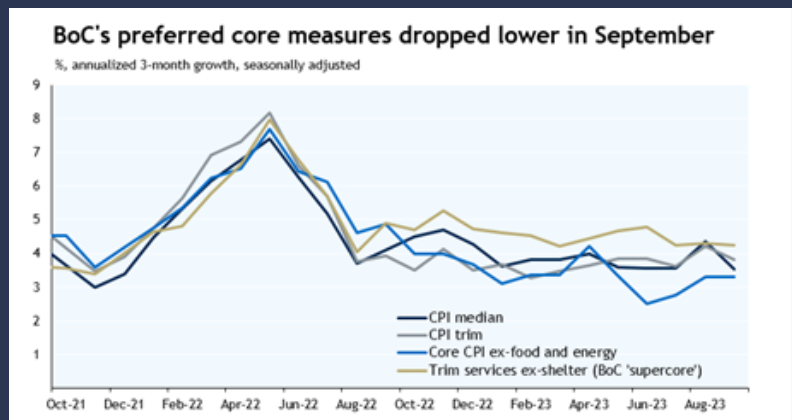
The Canadian Survey on Business Conditions for Metro Vancouver reveals that financial pressures impact business operations, and sales expectations remain subdued. Given the ongoing supply chain challenges, businesses anticipate reduced transactions in the coming quarter.



Source: Bank of Canada's Business Outlook Survey

In September, the year-over-year Headline CPI in Canada slowed down to 3.8%, and there was a slight reduction in the overall price growth. This suggests a potential shift in the inflation trend.

The Bank of Canada's Business Outlook Survey for the third quarter of 2023 indicates that businesses maintain relatively conservative hiring intentions and capital expenditures. They frequently cite diminished demand and declining capacity pressures behind these lowered expectations.



Source: Statistics Canada, RBC Economics

INDUSTRIAL MARKET INDICATORS

Quarterly Net Absorption

590,986 SF

▲ 276.5%
Quarter over Quarter

Vacancy Rate

1.2%

▲ 60 bps
Quarter over Quarter

Source: Colliers Research

Average Sales Price (PSF)

\$ 575

↔ \$ 0
Quarter over Quarter

Quarterly New Supply

1,928,045 SF

▲ 38.0%
Quarter over Quarter

Average Net Rent (PSF)

\$ 21.8

▼ \$ 0.29
Quarter over Quarter

Source: CBRE Research

Availability Rate

3.0%

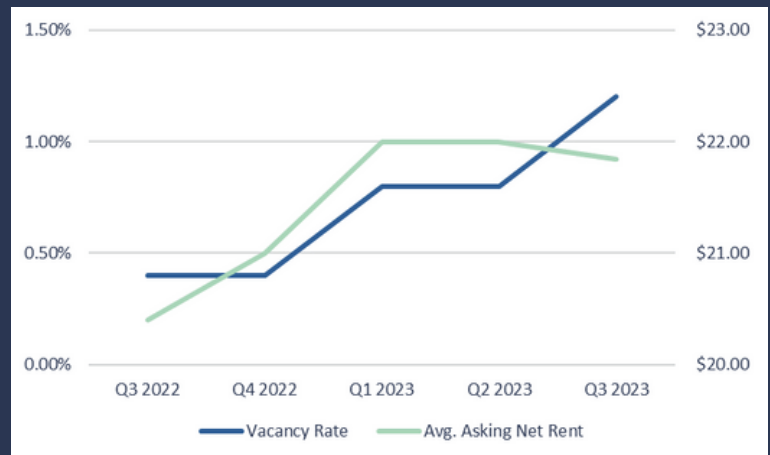
▲ 60 bps
Quarter over Quarter



INDUSTRIAL MARKET HIGHLIGHTS

- The **vacancy rate** in Metro Vancouver has risen to **1.2%** due to a gradual decrease in leasing activities. This marks the first time in three years that the vacancy rate has exceeded 1%.
- Nationally, the **availability rate** increased for the fourth consecutive quarter, rising by 40 basis points to 2.5% in Q3 2023. The **Metro Vancouver** area showed the highest year-over-year growth in availability, with a 220 basis points increase, **reaching 3.0%**.
- Despite declining demand and leasing activities, Metro Vancouver maintains a prominent position with **asking sales prices averaging \$575 per square foot**, the highest in Canada.
- In 2023, a substantial influx of new supplies entered the market compared to the past three years. While this trend has contributed to higher availability rates, it's noteworthy that **over 70%** of this new supply is already **pre-leased or pre-sold**

Industrial Fundamentals



Source: Colliers Research

In summary, Metro Vancouver's real estate market is experiencing shifting dynamics with rising vacancy rates, increased availability, and significant new supply, but it continues to command strong prices, and a substantial portion of the new supply is already accounted for through pre-leasing and pre-sales.

MAJOR MARKETS OVERVIEW - INDUSTRIAL

Market	Net Rentable Area (sf mil)	YTD net Absorption (sf mil)	Quarterly New Supply (sf mil)	Under construction (sf mil)	Availability Rate %	Avg. Net rent (\$ sf)	Avg. Sales Price (\$ sf)
	2023 Q3	2023 Q3	2023 Q3	2023 Q3	2023 Q3	2023 Q3	2023 Q3
Calgary	153.7	1.88	1.69	6.85	3.8%	\$11.27	\$210.00
Edmonton	156.6	2.30	0.30	2.31	5.1%	\$10.51	\$164.81
Toronto	826.5	2.82	5.17	16.04	1.9%	\$18.35	\$385.37
Montreal	326.3	-1.65	0.58	3.71	2.3%	\$16.52	\$232.06
Vancouver	214.5	1.41	1.93	6.83	3.0%	\$21.80	\$575.00

Source: CBRE RESEARCH



UNITE CAPITAL PARTNERS CORP.



5900 KINGSWAY, BURNABY



39449 QUEENS WAY, SQUAMISH



13090 LILLEY DRIVE, MAPLE RIDGE



14100 ENTERTAINMENT BLVD
RICHMOND



2909-15 AVE, WAINWRIGHT,
ALBERTA